

## Air Force Gets Permanent VERA/VSIP Authority

The passage of Public Law 108-136 (the FY04 National Defense Authorization Act) authorized the Secretary of Defense to establish a permanent Voluntary Separation Incentive (VSIP) and Voluntary Early Retirement (VERA) programs. Prior to this permanent authority, DoD was required to receive annual approval from the Office of Personnel Management (OPM) for these programs. These permanent authorities came as part of the new National Security Personnel System (NSPS).

The VERA and VSIP programs are similar to programs the Air Force has utilized since 1993, which allowed the Air Force to offer employees the opportunity to receive up to \$25,000 to leave the Air Force and/or take a Voluntary Early Retirement. By exercising these authorities, the Air Force was able to take reductions in their civilian workforce while minimizing RIFs (reduction in force)

According to Ms. Sara Bonilla, Chief of the HQ AF/ NSPS Project Management Office, “These programs may be used to reduce the number of personnel or to restructure the workforce to meet mission objectives. Because the authority is now permanent, it allows managers greater flexibility in long-range planning. In addition, NSPS included a limit on the total number of VSIPs that can be used in DoD and our allocation this year is 5,873. This does not imply we are downsizing 5,873 civilians or that we must use all of the VSIPs. It just means that, if needed, we could offer up to that number.” There are no limits for using early retirements (VERA).

“Buyouts allow the Air Force to decrease our workforce without resorting to RIF or reshape it without requiring the loss of positions. In addition to offering a separation incentive to employees eligible for early or optional retirement, it can be also be used for resignations,” Ms. Bonilla said. Employees who accept a buyout and/or an early retirement must leave government service in the same fiscal year.

Other highlights of this program are:

- For early retirement
  - Must have at least 20 years of federal service and be at least 50 years old or
  - Younger employees may be eligible if they have 25 years of federal service
  - Worked for DoD continuously for at least one year.
- For buyouts
  - Maximum up to \$25,000 before taxes and deductions
  - Must be a U.S. citizen
  - Must be serving under an appointment without time limitation and
  - Must have been employed by DoD for a continuous period of at least 12 months.

Employees who accept buyouts may not take another position with the Federal government - directly or via contract - for at least five years or they will be required to repay the buyout. Additionally, employees may not return to work for DoD for a period of at least one year unless they receive a waiver from the Secretary of Defense. The cost of the buyout is funded by the organization offering it.